



Council Budget Workshop

March 24, 2014

DATE: March 24, 2014

TO: Mayor Balducci & Councilmembers

FROM: Brad Miyake, Acting City Manager
Jan Hawn, Finance Director
Toni Rezab, Assistant Finance Director/Budget Manager

SUBJECT: Budget Workshop

The objective of the Budget Workshop is to seek Council direction regarding the operating and capital budgets prior to the preparation of the City Manager's Preliminary 2015-2016 Budget and 2015-2021 Capital Investment Plan (CIP), which will be delivered to Council in early October.

The purpose of this workshop is:

1. Provide Council with updated early look financial forecasts for both the Operating Funds and Capital Investment Plan;
2. Present the Results Teams' Cause and Effect (C&E) Maps and Requests for Results (RFR); and
3. Begin a discussion on how to approach the General Capital Investment Plan for the upcoming budget, midterm and/or longer term.

The Results Teams have completed their C&E maps and RFRs which the organization will be using as a framework for submitting proposals to each Outcome area. The materials presented for this workshop comprise building blocks for the Preliminary Budget and CIP, and include whitepapers and/or reference materials as well as other materials to help inform the development of the Budget.

These materials reflect the budget process to date and should be considered a work-in-progress that will be revised over the next months.



Council Budget Workshop: March 24, 2014

Agenda and Workshop Book Content

1. Introduction/Agenda (5 minutes)
2. Budget Process/Calendar/and Public Engagement (5 minutes)
***Discussion Objective:** To review and answer questions regarding the budget process and current status.*
 - a. Process Overview and Calendar
 - b. Overview of Public Engagement
 - c. Meeting Summary from the February 27 Neighborhood Leadership Gathering
3. Budget Survey/Performance Survey Highlights (10 minutes)
***Discussion Objective:** To review and raise awareness of key data used to inform the development of the budget.*
4. Economic Update and Forecasts (20 minutes)
***Discussion Objective:** To provide current financial information to inform the development of the budget.*
 - a. Economic Update
 - b. Long-Range General Fund Forecast
 - c. 6-year General Fund Forecast (*for information*)
 - d. Data Driven Decisions
 - e. Development Services Fund Forecast
 - f. Parks Enterprise Fund Forecast
 - g. Utilities Funds Forecast
5. Results Team Cause & Effect Maps and Requests for Results (90 minutes)
***Discussion Objective:** To present the current work of the Results Teams. The Results Teams have focused their work on the core services that produce the Outcomes.*
 - a. Responsive Government
 - b. Improved Mobility
 - c. Healthy and Sustainable Environment
 - d. Safe Community
 - e. Innovative Vibrant and Caring Community
 - f. Quality Neighborhoods
 - g. Economic Growth and Competitiveness



Council Budget Workshop: March 24, 2014

6. General Capital Investment Plan (90 minutes)

Discussion Objective: *Begin a discussion on how to approach the General Capital Investment Plan for the upcoming budget (2015-2021), midterm (2022-2025) and/or longer term (2026-2035). Staff will present an option to move forward, acknowledging that there are several more discussions needed to establish a longer-term plan that furthers the Council vision.*

- a. Overview of the Plan Forward for Capital Planning
- b. Long-Range General Capital Investment Plan Forecast
- c. Potential Capital Projects

7. Appendices/Reference Materials (*for information*)

- a. Potential Revenue Options
- b. Reference Materials
 - i. Property Tax Comparison Pie Charts 2011 vs 2014
 - ii. Voter-Approved Initiatives vs. Debt Financing
 - iii. Debt Capacity as of 12/31/2013
- c. Comprehensive Financial Policies